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DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

A-580-876

Welded Line Pipe from Korea: Preliminary Results of Antidumping Duty Administrative Review; 2015-2016

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (Commerce) is conducting an administrative review of the antidumping duty order on welded line pipe (WLP) from Korea. The period of review (POR) is May 22, 2015, through November 30, 2016. This administrative review covers 24 producers and/or exporters of the subject merchandise. Commerce selected two mandatory respondents for individual examination: Hyundai Steel Company (Hyundai Steel) and SeAH Steel Company (SeAH). We preliminarily determine that sales of subject merchandise have been made below normal value (NV) during the POR. Interested parties are invited to comment on these preliminary results.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: David Goldberger or Ross Belliveau, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4136 or (202) 482-4952, respectively.

Scope of the Order

The merchandise subject to the order is welded line pipe.¹ The product is currently classified under the following Harmonized Tariff Schedule of the United States (HTSUS) item numbers: 7305.11.1030, 7305.11.1060, 7305.11.5000, 7305.12.1030, 7305.12.1060, 7305.12.5000, 7305.19.1030, 7305.19.5000, 7306.19.1010, 7306.19.1050, 7306.19.5110, and 7306.19.5150. Although the HTSUS numbers are provided for convenience and for customs purposes, the written product description remains dispositive.

Methodology

Commerce is conducting this review in accordance with section 751(a) of the Tariff Act of 1930, as amended (the Act). Export price and constructed export price are calculated in accordance with section 772 of the Act. NV is calculated in accordance with section 773 of the Act.

For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>, and to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>. The signed and

¹ For a complete description of the Scope of the Order, *see* Memorandum, "Decision Memorandum for the Preliminary Results of the 2015-2016 Administrative Review of the Antidumping Duty Order on Welded Line Pipe from Korea," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

electronic versions of the Preliminary Decision Memorandum are identical in content. A list of the topics discussed in the Preliminary Decision Memorandum is attached as the Appendix to this notice.

Preliminary Results of the Review

As a result of this review, we preliminarily determine the following weighted-average dumping margins for the period May 22, 2015, through November 30, 2016:

<u>Exporter/ Producer</u>	<u>Weighted-Average Dumping Margin (Percent)</u>
Hyundai Steel Company/Hyundai HYSCO ²	19.42
SeAH Steel Company	2.30

Review-Specific Average Rate Applicable to the Following Companies:³

<u>Exporter/ Producer</u>	<u>Weighted-Average Dumping Margin (Percent)</u>
AJU BESTEEL CO., Ltd.	10.86
Daewoo International Corporation	10.86
Dong Yang Steel Pipe	10.86
Dongbu Incheon Steel Co.	10.86
Dongbu Steel Co., Ltd	10.86
Dongkuk Steel Mill	10.86

² As discussed in *Welded Line Pipe from the Republic of Korea: Final Determination of Sales at Less Than Fair Value*, 80 FR 61366 (October 13, 2015), and accompanying Issues and Decision Memorandum at 1, Hyundai HYSCO merged with Hyundai Steel subsequent to the period of investigation and Hyundai HYSCO no longer exists. Accordingly, our examination of Hyundai Steel includes entries made by Hyundai HYSCO prior to the date of the merger.

³ This rate is based on the simple average margin using the publicly-ranged data calculated for those companies selected for individual review. Because we cannot apply our normal methodology of calculating a weighted-average margin due to requests to protect business proprietary information, we find this rate to be the best proxy of the actual weighted-average margin determined for the mandatory respondents. *See Ball Bearings and Parts Thereof from France, et al.: Final Results of Antidumping Duty Administrative Reviews, Final Results of Changed-Circumstances Review, and Revocation of an Order in Part*, 75 FR 53661, 53663 (September 1, 2010); *see also* Memorandum, “Calculation of the Review-Specific Average Rate for the Preliminary Results,” dated concurrently with this notice.

EEW Korea Co, Ltd.	10.86
HISTEEL Co., Ltd.	10.86
Husteel Co., Ltd.	10.86
Keonwood Metals Co., Ltd.	10.86
Kolon Global Corp.	10.86
Korea Cast Iron Pipe Ind. Co., Ltd.	10.86
Miju Steel MFG Co., Ltd.	10.86
MSTEEL Co., Ltd.	10.86
NEXTEEL Co., Ltd.	10.86
Poongsan Valinox (Valtimet Division)	10.86
POSCO	10.86
Sam Kang M&T Co., Ltd.	10.86
Sin Sung Metal Co., Ltd.	10.86
Soon-Hong Trading Company	10.86
Steel Flower Co., Ltd.	10.86
TGS Pipe	10.86

Assessment Rates

Upon completion of the administrative review, Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries.

Pursuant to 19 CFR 351.212(b)(1), where Hyundai Steel and SeAH reported the entered value for of their U.S. sales, we calculated importer-specific *ad valorem* duty assessment rates based on the ratio of the total amount of dumping calculated for the examined sales to the total entered value of the sales for which entered value was reported. Where Hyundai Steel did not report entered value, we calculated the entered value in order to calculate the assessment rate. Where either the respondent's weighted-average dumping margin is zero or *de minimis* within the meaning of 19 CFR 351.106(c)(1), or an importer-specific rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

For the companies which were not selected for individual review, we will assign an assessment rate based on the average⁴ of the cash deposit rates calculated for Hyundai Steel and SeAH. The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the final results of this review and for future deposits of estimated duties, where applicable.⁵

We intend to issue liquidation instructions to CBP 15 days after publication of the final results of this review.

Cash Deposit Requirements

The following deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: 1) the cash deposit rate for each specific company listed above will be that established in the final results of this review, except if the rate is less than 0.50 percent and, therefore, *de minimis* within the meaning of 19 CFR 351.106(c)(1), in which case the cash deposit rate will be zero; 2) for previously investigated companies not participating in this review, the cash deposit will continue to be the company-specific rate published for the most recently completed segment of this proceeding in which the company participated; 3) if the exporter is not a firm covered in this review, or the original less-than-fair-value (LTFV) investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent segment for the manufacturer of

⁴ This rate was calculated as discussed in footnote 3, above.

⁵ See section 751(a)(2)(C) of the Act.

the merchandise; and 4) the cash deposit rate for all other manufacturers or exporters will continue to be 4.38 percent, the all-others rate established in the LTFV investigation.⁶ These deposit requirements, when imposed, shall remain in effect until further notice.

Disclosure and Public Comment

Commerce intends to disclose the calculations performed in connection with these preliminary results to interested parties within five days after the date of publication of this notice.⁷ Interested parties may submit case briefs not later than 30 days after the date of publication of this notice.⁸ Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than five days after the time limit for filing case briefs.⁹ Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.¹⁰ Case and rebuttal briefs should be filed using ACCESS.¹¹

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed electronically via ACCESS. An electronically-filed document must be received successfully in its entirety by ACCESS by 5 p.m. Eastern Time within 30 days after the date of publication of

⁶ See *Welded Line Pipe from the Republic of Korea and the Republic of Turkey: Antidumping Duty Orders*, 80 FR 75056, 75057 (December 1, 2015).

⁷ See 19 CFR 351.224(b).

⁸ See 19 CFR 351.309(c)(ii).

⁹ See 19 CFR 351.309(d)(1).

¹⁰ See 19 CFR 351.309(c)(2) and (d)(2).

¹¹ See 19 CFR 351.303.

this notice.¹² Hearing requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to issues raised in the briefs. If a request for a hearing is made, parties will be notified of the time and date for the hearing to be held at the U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230.¹³

Commerce intends to issue the final results of this administrative review, including the results of its analysis raised in any written briefs, not later than 120 days after the publication of these preliminary results in the *Federal Register*, unless otherwise extended.¹⁴

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

We are issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

¹² See 19 CFR 351.310(c).

¹³ *Id.*

¹⁴ See Section 751(a)(3)(A) of the Act.

Christian Marsh

Deputy Assistant Secretary
for Enforcement and Compliance

Dated: January 2, 2018

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

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